



Rep. Jeb Hensarling (R-TX), Chairman  
Russ Vought, Executive Director

132 Cannon House Office Building  
Washington, DC 20515



[www.house.gov/hensarling/rsc](http://www.house.gov/hensarling/rsc)

Ph (202) 226-9717 / fax (202) 226-1633

**FOR IMMEDIATE RELEASE**  
December 12, 2007

CONTACT: Brad Dayspring  
(202) 225-3484

## **Do-Nothing Democrats Again Fail on AMT** *As Democrats delay and play “tax shell game,” Americans worry about their tax future*

**WASHINGTON, D.C.** – Congressman Jeb Hensarling (R-TX), Chairman of the Republican Study Committee, criticized Speaker Pelosi and House Democrats for once again wasting valuable time on a flawed AMT bill that both Democrats in the Senate and the President have made clear will never be enacted. Earlier this month the Senate passed a “clean” AMT patch and overwhelmingly rejected the inclusion of tax increases in such bill by an 88-5 margin.

The complete failure by the Democrat Majority to address the expanding AMT has kept up to 25 million families in the dark about their tax situation in 2008, and has guaranteed a filing season full of taxpayer confusion. Treasury Secretary Paulson has already cautioned that enactment of a patch in mid-to-late December “could delay issuance of approximately \$75 billion in refunds to taxpayers who are likely to file their returns before March 31, 2008.” These delays could impact 50 million taxpayers, half of whom are not even subject to the AMT.

### **RSC Chairman Hensarling on the Democrat’s Failure to help taxpayers:**

*“The refusal by Speaker Pelosi and the Democrat Majority to address the out-of-control AMT is yet another example of a failed Congress. As Americans prepare for the holidays, Democrats continue to dilly dally in Washington while families across the country are worried that their tax refunds will be held hostage because of the utter ineptitude of the Democrat Congress.*

*“The Democrat bill today raises taxes in order to prevent a tax increase and is little more than a shell game in which the taxpayer is guaranteed to lose. It is lunacy, and to put it simply, Democrats are spending weeks trying to rearranging the deck chairs on a sinking tax ship.*

*“Democrats insist that AMT repeal must be revenue neutral to the government, while Republicans agree repeal must be revenue neutral – to the taxpayer. Republicans disagree with the premise that taxpayers must be forced to pay more to repeal a bad policy and we disagree with Democrats in the House who want to pick and choose certain groups of taxpayers to be penalized for Washington’s mistake.*

### **Hensarling on Speaker Pelosi and the Blue Dogs:**

*“Speaker Pelosi and the Democrats in her caucus owe an apology to the 25 million Americans facing a substantial tax increase and the millions more who could see their refund checks delayed. I am particularly disappointed in the ‘Blue Dog’ Democrat caucus, who, by advocating tax increases, have decided to punish new groups of Americans in order to fuel the massive Washington spending sprees sought by their party leaders.*

*“The AMT was never intended to be forced upon middle-class American families, and Republicans are working to ensure that it never will. Blue Dog Democrats need to take a long hard look in the mirror, and realize that targeting new groups of taxpayers to fund their Leadership’s spending spree is a complete abandonment of their self-proclaimed principles.*

### **Hensarling on a solution to the AMT problem:**

*“We must immediately pass an AMT patch that does not include any tax increases, to protect the millions taxpayers facing a massive tax increase in the coming months. Every member of Congress owes that to their constituents.*

*“Americans are yearning for bold reform and repealing the AMT provides that opportunity. The Republican Study Committee has introduced the Taxpayer Choice Act, which will fully repeal the AMT while providing taxpayers the choice and opportunity to become part of a 21<sup>st</sup> Century tax system that is fair, simple, efficient and, above all, accountable.”*

\*\*\*

The Republican Study Committee’s [\*\*\*The Taxpayer Choice Act\*\*\*](#), which currently has 83 co-sponsors, is a comprehensive, individual income tax reform initiative with two principal goals:

1. eliminating massive future tax increases by repealing the Alternative Minimum Tax; and;
2. providing individuals a choice for an alternative tax system that is transparent, simple and efficient.

The AMT was created in 1969 by Congress to target 155 people who were eligible for tax benefits that resulted in their paying little or *no* federal income tax. Today, the "tax-the-rich" policy intended to penalize 155 people has spiraled so out of control that, if ignored in the next few months, it will hit 25 million hard-working middle class American families. In 1999, the GOP-controlled Congress passed a full repeal of the AMT, which President Bill Clinton swiftly vetoed.

Unlike any other AMT reforms offered to date, the RSC plan will not increase taxes for ANY American and will retain a fair and equitable distribution of federal tax burdens.

The RSC plan offers a choice: taxpayers can choose the new system or stay with the current tax code. They have the freedom to select the option that best suits *their* particular circumstances.

###

*The Republican Study Committee consists of over 100 conservative Republican members of the House of Representatives.*